

LAW OFFICES

RECORDATION NO. 21446 FILED

ROSS & HARDIES
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

JUN 4 '98 10-04 AM

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150 NORTH MICHIGAN AVENUE
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732-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

SUSAN G. LICHTENFELD

June 3, 1998

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams
Secretary
Office of the Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 704

RECEIVED
SURFACE TRANSPORTATION
BOARD
JUN 4 10 04 AM '98

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 48 U.S.C. Section 11301(a) are two original executed copies and three photostatic copies of a Memorandum of Railcar Security Agreement, dated as of May 27, 1998, between Freight Car Services, Inc. ("FCS") and General Electric Railcar Services Corporation ("GERSCO"), a primary document as defined in the Commissioner's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed Memorandum of Railcar Security Agreement are:

Secured Party: Freight Car Services, Inc.
2313 Cannon Street
Danville, Illinois 61832

Debtor: General Electric Railcar Services Corporation
33 West Monroe Street
24th Floor
Chicago, Illinois 60603

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Railcar Security Agreement.

Mr. Vernon A. Williams
June 3, 1998
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Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy and three stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Memorandum of Railcar Security Agreement, dated as of May 27, 1998 between Freight Cars Services, Inc., as Secured Party, and General Electric Railcar Services Corporation, as Debtor.

Very truly yours,


Susan G. Lichtenfeld

SGL/vgc
w/encl.

cc: Robert W. Kleinman
Joseph A. McQuade

MEMORANDUM OF RAILCAR SECURITY AGREEMENT

JUN 4

'98

10-04 AM

This Memorandum of Railcar Security Agreement is made and entered into as May 27, 1998, by and between FREIGHT CAR SERVICES, INC. (hereinafter referred to as "Secured Party") and GENERAL ELECTRIC RAILCAR SERVICES CORPORATION (hereinafter referred to as "Debtor").

Pursuant to the Railcar Manufacturing Agreement dated as of March 24, 1998, as amended (the "Manufacturing Agreement") between Secured Party and Commonwealth Edison Company ("ComEd"), and subject to the terms and conditions therein set forth, which Manufacturing Agreement was assigned in part by ComEd to Debtor, Secured Party has agreed to manufacture and sell to Debtor, and Debtor has agreed to purchase from Secured Party, the railcars identified on Schedule A hereto (the "Railcars").

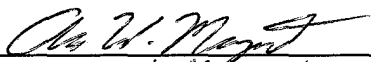
As security for the payment and fulfillment of its obligations to Secured Party under the Manufacturing Agreement pursuant to Sections 2, 6 and 29 of the Manufacturing Agreement, Debtor granted to Seller a security interest in the Railcars and the products, proceeds and accessions of and to any of the Railcars, together with all right, title and interest of Debtor therein and all rights and remedies which Debtor might exercise with respect thereto but for the execution of the Manufacturing Agreement.

As contemplated by the Manufacturing Agreement, Secured Party and Debtor hereby make this Memorandum of Railcar Security Agreement to confirm and perfect Secured Party's security interest in the Railcars. Secured Party and Debtor further acknowledge and confirm that this Memorandum of Railcar Security Agreement is not a summary of the Manufacturing Agreement nor a complete recitation of the terms and provisions thereof. Accordingly, Secured Party and Debtor agree that in the event of a conflict between this Memorandum of Railcar Security Agreement and the provisions of the Manufacturing Agreement, the provisions of the Manufacturing Agreement shall control.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Railcar Security Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.


SECURED PARTY:

FREIGHT CAR SERVICES, INC.

By: 
Name: Alan W. Morgart
Title: Controller

DEBTOR:

GENERAL ELECTRIC RAILCAR
SERVICES CORPORATION

By: 
Name: R L BACHINSKY
Title: VICE-PRESIDENT

STATE OF ILLINOIS)
COUNTY OF VERMILION)

SS:

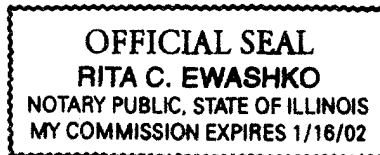
On this June 2 day of ~~May~~, 1998, before me personally appeared Alan W. Morgan, to me personally known, who being duly sworn, says that he is a Controller of FREIGHT CAR SERVICES, INC., a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Rita C. Ewashko

Notary Public

[NOTARIAL SEAL]

My Commission Expires:



STATE OF ILLINOIS)
COUNTY OF COOK) :SS

On this 28th day of May, 1998, before me personally appeared Raymond Bachinsky, to me personally known, who being by me duly sworn, says that he is a Vice President of GENERAL ELECTRIC RAILCAR SERVICES CORPORATION, a Delaware corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Ricki Knapp

Notary Public

[NOTARIAL SEAL]



My Commission expires: 10/01/01

SCHEDULE A
TO MEMORANDUM OF RAILCAR SECURITY AGREEMENT

240 Aluminum BethGon Coalporter Cars bearing road marks
and numbers (all inclusive):

CWEX 6356 through CWEX 6595